

Arizona House of Representatives House Majority Research MEMORANDUM

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To: Representative Petersen

Re: HB 2114 independent business status; declaration

NOW: declaration; independent business status

Date: March 29, 2016

CONCUR / REFUSE BLUE SHEET

HB 2114 passed the Senate 3rd Read (23-5-2-0-0) and is listed on *Blue Sheet* #8 for Caucus. Please let me know if you intend to **Concur** or **Refuse** the Senate amendments.

HOUSE ENGROSSED BILL

As passed the House, HB 2114 establishes the Declaration of Independent Business Status (Declaration), which prescribes the *employer* and *independent contractor* relationship.

SENATE AMENDMENTS (S/E AMENDMENT AS AMENDED)

The Senate amended HB 2114 to incorporate most of the original bill's provisions, with additional changes as follows:

- 1. Stipulates that the *Declaration of Independent Business Status* (Declaration) is an option for an independent contractor relationship and reiterates the Declaration is not mandatory to create this relationship.
- 2. Exempts those licensed by the Registrar of Contractors, unless they are contracting with an independent contractor.
- 3. Stipulates that investigations and enforcement proceedings are unaffected by the provisions of this bill with regard to the employment relationship.
- 4. Requires the contractor to acknowledge 6 of the 10 items to constitute an independent contractor relationship.
- 5. States there is no substitution for the independent contractor written agreement outlined in the workers' compensation statutes.
- 6. Contains a severability clause and an applicability clause.